

S DEPTNOTE 7210
10 January 2000

SUPPLY DEPARTMENT NOTICE 7210 FOR DL

From: Supply Officer
To: Distribution Lists C & T; all Procurement Division and
Branch Heads, Contracting Officers/Team Leaders,
Negotiators and Buyers

Subj: SCHEDULING OF PROCUREMENT REQUIREMENT SUBMISSIONS

Encl: (1) Purchasing Cut-Off Dates

1. Purpose. This Notice provides dates for requisition submission to the Supply Department Procurement Division (Code SD10) for FY00 procurement actions. Enclosure (1) shows those dates by which your requirement needs to be submitted to SD10 in order to ensure award by 30 September 2000. The dates are based on actual receipt of the procurement package in SD10 and assume all documents (i.e., specification, SOW, source selection plan, DD 1423's, etc.) are in order.

2. Background. Due to the time required to place an action under simplified acquisition procedures (SAP) or a contract, it is necessary that the request for procurement be received by SD10 in sufficient time to allow the action to be processed in time to meet the requirements of the requisitioner. Particular consideration must be given to time frames when funds which expire at the end of a fiscal year are being used.

3. Information.

a. The introduction of standard systems such as Standard Procurement System (SPS), ILSMIS and DIFMS have had an impact on the acquisition process. For example, expiration dates for funds are rigidly enforced. In some instances since they are complex, dynamic, and ever changing systems, they have resulted in lengthening the acquisition process. Since data does not exist to make projections on their impact, requisitioners should be aware of the possibility of delays and submit their requirements well in advance of the dates set forth in Enclosure (1).

b. The threshold for SAP remains at \$100,000 with the exception of commercial items not exceeding \$5,000,000, including options, which may be acquired using SAP procedures. SD10 will process most actions greater than \$25,000 and not exceeding the SAP or commercial item threshold as follows: placing orders against GSA Federal Supply Service (FSS) contracts or by synopsis in the Commerce Business Daily.

c. Although SD10 has streamlined and continues to take actions to further streamline the process, regulation and practicality dictate that a certain amount of time will be required to place an action under contract. There are instances when more than the normal amount of time is required to process the action. Consideration must also be given to reviews/approvals/screenings that must take place prior to the action being received by SD10. Examples follow:

(1) Current acquisition regulations require approval of specific procurement actions which fall within certain dollar thresholds before continuing the procurement process. Depending on the threshold, that approval may be outside of the Naval Surface Warfare Center, Dahlgren Division. For example, approval of a Justification and Approval for other than full and open competition for a procurement in excess of \$10M requires approval by NSWC. Regulations also require reviews and approvals by the Naval Sea Systems Command of any acquisition valued at \$50 million or more. Approvals outside NSWCDD/DL typically require more time than on-site approvals.

(2) Adequate time must be allowed for technical screening, when required, by various offices such as the Defense Industrial Plant Equipment Center. As appropriate, internal screening may include the Budget Operations Branch (Code MD11), Accounting Operations Branch (Code MD21), the Equipment Rental and Maintenance Branch (Code SD104), and the Property Management Branch (Code SD38).

(3) The award date of follow-on contracts for services should reflect an adequate lead time of approximately three months for transition of principal performance from the incumbent contractor to the one selected for the follow-on.

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4. Action.

a. Enclosure (1) depicts cut-off dates for receipt of requisitions in SD10 for those actions with funds which expire 30 September 2000 or which have work start dates of 1 October 2000.

The cut-off dates are based on the historical average FY 99 procurement administration lead time required to process requirements at certain dollar values from receipt in SD10 to award. Keep in mind that contracts of unusual size or complexity or those requiring approvals outside NSWCCD/DL may require longer lead times. It is recommended that advance contact with SD10 be made to assess contractual complexity and feasibility of timely award prior to making a commitment to program sponsors. While SD10 will always try to meet urgent needs, requisitions submitted later than the specified dates may not be awarded if funding cannot be extended beyond 30 September 2000.

b. Advance planning concerning your acquisition with the appropriate Contracting Officer cannot be overemphasized. Early development of a procurement strategy will help ensure your action is awarded in a timely manner. Advance planning is particularly important for purchases of major equipment or other items which are subject to "last minute" availability of year-end funds.



T. R. MARTINEZ

PURCHASING CUT-OFF DATES FOR ACTIONS WITH FUNDS EXPIRING 30 SEPTEMBER 2000
OR WORK START DATES OF 1 OCTOBER 2000

TYPE	DOLLAR VALUE	AVERAGE PROCUREMENT ADMINISTRATIVE LEAD TIME (PALT)*	CUT-OFF DATE**
LARGE CONTRACT ACTIONS:			
Supply/Service Contracts	Over \$10M	255 days	17 Jan 00
Supply/Service Contracts	\$500,001-\$10M	126 days	26 May 00
Supply/Service Contracts	\$100,001-\$500,000	83 days	10 Jul 00
Supply/Service Contracts	Under \$100,000	65 days	28 Jul 00
Contract Modifications	Any Value	12 Days	***
Orders Under Contract	Any Value	17 Days	04 Sep 00
ACTIONS UNDER SIMPLIFIED ACQUISITION PROCEDURES (SAP):****			
Purchase Orders	\$25,000-\$100,000		01 Sep 00
Purchase Orders	<\$25,000		11 Sep 00
PURCHASE CARD ACTIONS			
Actions	<\$2,500	*****	15 Sep 00

* Average PALT for acquisitions processed during FY99. Please note that these are "average" days; some actions make take less time; others, longer. Does not take into consideration the potential impact of dynamic standard systems such as SPS, ILSMIS, or DRFMS. Advance planning with the Contracting Officer is highly recommended.

** Assumes procurement package is complete and ready for processing to begin.

*** Modifications to existing contracts can take varying amounts of time; dollar value is NOT necessarily a good determinant; contact the Contracting Officer as early as possible to resolve the amount of time required to process the action.

**** Cut-off dates allow time required to process actions when workload has significantly increased at end of FY.

***** Most actions not exceeding \$2,500 should be placed by the customer via the purchase card. Actions within this threshold sent to SD10 for placement may require a properly executed determination signed by a SES, Flag, General Officer, commander/director of a tenant activity as applicable.